

WESTINGHOUSE FORM 28840 PART 1

**DEPARTMENT OF DEFENSE
SETTLEMENT PROPOSAL
(INVENTORY BASIS)**

FOR USE BY A FIXED-PRICE PRIME CONTRACTOR OR FIXED-PRICE SUBCONTRACTOR

THIS PROPOSAL APPLIES TO (CHECK ONE) ☒ A PRIME CONTRACT WITH THE GOVERNMENT ☐ SUBCONTRACT OR PURCHASE ORDER		COMPANY Westinghouse Electric Corporation
SUBCONTRACT OR PURCHASE ORDER NO. (S)		STREET ADDRESS P.O. Box 746, Air Arm Division
CONTRACTOR WHO SENT NOTICE OF TERMINATION NAME		CITY AND STATE Baltimore 3, Maryland
ADDRESS		NAME OF GOVERNMENT AGENCY
IF MONIES PAYABLE UNDER THE CONTRACT HAVE BEEN ASSIGNED, GIVE FOLLOWING NAME OF ASSIGNEE		GOVT. PRIME CONTRACT NO. FL-3011
ADDRESS		CONTRACTOR'S REFERENCE NO. AAD-30201
		EFFECTIVE DATE OF TERMINATION October 10, 1956
		PROPOSAL NO. 1 ☒ INTERIM ☐ FINAL

FORM NO. 6 (SCHEDULE OF ACCOUNTING INFORMATION) ☐ IS ☐ IS NOT ATTACHED (IF NOT EXPLAIN)

SECTION I - STATUS OF CONTRACT OR ORDER AT EFFECTIVE DATE OF TERMINATION

PRODUCTS COVERED BY TERMINATED CONTRACT OR PURCHASE ORDER		FINISHED			UNFINISHED OR NOT COMMENCED		TOTAL COVERED BY CONTRACT OR ORDER
		PREVIOUSLY SHIPPED AND INVOICED	ON HAND		TO BE COMPLETED (PARTIAL TERMINA TION ONLY)	NOT TO BE COMPLETED	
			PAYMENTS TO BE RECEIVED THROUGH INVOICING	INCLUDED IN THIS PROPOSAL			
(a)		(b)	(c)	(d)	(e)	(f)	(g)
	QUAN.						
	\$						
	QUAN.						
	\$						
	QUAN.						
	\$						

SECTION II - PROPOSED SETTLEMENT

NO.	ITEM (a)	USE COLUMNS (b) AND (c) ONLY WHERE PREVIOUS PROPOSAL HAS BEEN FILED (SEE INSTRUCTIONS)		TOTAL PROPOSED TO DATE (d)	FOR USE OF CONTRACTING AGENCY ONLY (e)
		TOTAL PREVIOUSLY PROPOSED (b)	INCREASE OR DECREASE BY THIS PROPOSAL (c)		
1.	Metals (from Form 28842)				
2.	Raw materials (other than metals) (from Form 28843)				
3.	Purchased parts (from Form 28843)			37,814.90	
4.	Finished components (from Form 28843) (See Sch. A)				
5.	Miscellaneous (from Form 28843)			10,519.94	
6.	Work in process (from Form 28844) (See Sch. A)			-----	
7.	Dies, jigs, fixtures, etc., and special tools (Form 45)			-----	
8.	Other costs (from Schedule B)			-----	
9.	General and administrative expenses (from Sch. C)			8,216.92	
10.	TOTAL (Items 1 to 9 inclusive)			56,551.76	
11.	Profit (explain in Schedule D)			3,958.62	
12.	Settlement expenses (from Schedule E)			1,519.00	
13.	TOTAL (Items 10 to 12 inclusive)			62,029.38	
14.	Settlement with subcontractors (from Schedule F)			-----	
15.	Acceptable finished product (from Form 43)			-----	
16.	TOTAL (Items 13 to 15 inclusive)			62,029.38	
17.	Disposal credits (from Schedule G)			Later	
18.	Advance or Progress or other payments (from Sch. H)			-----	
19.	TOTAL CREDITS (Items 17 and 18)			-----	
20.	NET SETTLEMENT (Item 16 Less Item 19)			62,029.38	

SETTLEMENT PROPOSAL

WESTINGHOUSE FORM 28840 (PART 2)

1. SCHEDULE "A" ANALYSIS OF INVENTORY COST

2. CERTIFICATE OF CONTRACTOR FOR FORM 28840 (INVENTORY BASIS) AND FORM 28841 (TOTAL COST BASIS)

CONTRACT APPLIES TO		COMPANY	
☒ A PRIME CONTRACT WITH THE GOVT.		Westinghouse Electric Corporation	
☐ SUBCONTRACT OR PURCHASE ORDER NO.		GOVT. AGENCY	
SUBCONTRACT OR PURCHASE ORDER NO. (S)		GOVT. PRIME CONTRACT NO.	
		FL-3011	
CONTRACTOR WHO SENT NOTICE OF TERMINATION		CONTRACTOR'S REFERENCE NO.	
NAME		AAD-30201	
ADDRESS		PROPOSAL NO.	
		1	
		☒ INTERIM ☐ FINAL	

SCHEDULE A

ANALYSIS OF INVENTORY COST

ITEMS 4 & 6

FURNISH THE FOLLOWING INFORMATION (UNLESS NOT REASONABLY AVAILABLE) IN RESPECT OF INVENTORIES OF FINISHED COMPONENTS AND WORK IN PROCESS, INCLUDED IN THIS PROPOSAL:

	TOTAL DIRECT LABOR	TOTAL DIRECT MATERIAL	TOTAL INDIRECT EXPENSE	TOTAL
FINISHED COMPONENTS	NOT REASONABLY AVAILABLE			
WORK IN PROCESS				

CERTIFICATE

The undersigned, individually and as an authorized representative of the contractor, certifies that he has examined this Settlement Proposal and that, to the best of his knowledge and belief: (1) AS TO CONTRACTOR'S OWN CHARGES - The Proposed Settlement (exclusive of charges set forth in item 4) and supporting schedules and explanations have been prepared from the books of account and records of the contractor in accordance with recognized commercial accounting practices: they include only those charges allocable to the terminated portion of this contract: they have been prepared with knowledge that they will, or may, be used directly or indirectly as the basis of settlement of a claim or claims against the United States or an agency thereof: and the charges as stated are fair and reasonable; (2) AS TO SUBCONTRACTOR'S CHARGES - (a) The contractor has examined, or caused to be examined, to an extent it considers adequate in the circumstances, the claims of its immediate subcontractors (exclusive of claims filed against such immediate subcontractors by their subcontractors); (b)

the settlement on account of immediate subcontractors' own charges are fair and reasonable, said charges are allocable to the terminated portion of this contract and said settlements were negotiated in good faith and are not more favorable to its immediate subcontractors than those which the contractor would make if reimbursement by the Government were not involved; (c) the contractor has received from all its immediate subcontractors appropriate certificates with respect to their claims, which certificates, are substantially in the form of this certificate; and (d) the contractor has no information leading it to doubt (i) the reasonableness of the settlements with more remote subcontractors or (ii) that the charges for them are allocable to this contract. Upon receipt by the contractor of amounts covering settlements with its immediate subcontractors, the contractor will pay or credit them promptly with the amounts so received, to the extent that it has not previously done so. The term subcontractor as used above includes suppliers.

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NAME OF CONTRACTOR

BY (SIGNATURE)

STAT

STAT

Westinghouse Electric Corporation

Manager, Termination Section

DATE

3-25-58

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NAME OF SUPERVISORY AGENT

TITLE

Manager, Accounting Department

NOTE: THIS FORM SHALL

FORM 28841

WESTINGHOUSE FORM 28852

SCHEDULE 1 - GENERAL AND ADMINISTRATIVE EXPENSESINVENTORY BASIS FORM - ITEM 9
TOTAL COST BASIS FORM - ITEM 6

THIS SCHEDULE APPLIES TO: (CHECK ONE)	A PRIME CONTRACT WITH THE GOVT. ☒	SUBCONTRACT OR PURCHASE ORDER ☐ NOS.	COMPANY Westinghouse Electric Corporation Air Arm Division
CONTRACTOR WHO SENT NOTICE OF TERMINATION			STREET ADDRESS P. O. Box 746
			CITY AND STATE Baltimore 3, Maryland
ADDRESS			GOVT. AGENCY
			GOVT. PRIME CONTRACT NO. FL-3011
			CONTRACTOR'S REFERENCE NO. AAD-30201
			EFFECTIVE DATE OF TERMINATION October 10, 1956

DETAIL OF EXPENSE	METHOD OF ALLOCATION	AMOUNT	LEAVE BLANK
General and Administrative Expenses:			
This includes operating costs originating at divisions, regional offices, and the company's headquarters offices. Such costs originating outside the division are allocated to Manufacturing divisions on basis of formulae which have been established in accordance with accepted accounting practices, and are consistently followed by the contractor. Such costs are initially apportioned to product codes and by application of product code factors in relation to total manufacturing cost are applied to this contract for determining such costs for termination purposes. This category of expense includes such items as: Sales, Order Service, Advertising, Headquarters Administration and Other General Expense.			
Purchased Parts from Form 28843-----		\$37,814.90	
Miscellaneous from Form 28843-----		10,519.94	
TOTAL		\$48,334.84	
Ratio -----	17%	\$8216.92	\$8216.92

WESTINGHOUSE FORM 28853

SCHEDULE D - PROFITINVENTORY BASIS FORM - ITEM 11
TOTAL COST BASIS FORM - ITEM 8

THIS SCHEDULE APPLIES TO: (CHECK ONE)	A PRIME CONTRACT WITH THE GOVT. ☒	SUBCONTRACT OR PURCHASE ORDER ☐ NOS.	COMPANY Westinghouse Electric Corporation Air Arm Division
CONTRACTOR WHO SENT NOTICE OF TERMINATION			STREET ADDRESS P. O. Box 746
			CITY AND STATE Baltimore 3, Maryland
ADDRESS			GOVT. AGENCY
			GOVT. PRIME CONTRACT NO. FL-3011
			CONTRACTOR'S REFERENCE NO. AAD-30201
			EFFECTIVE DATE OF TERMINATION October 10, 1956

EXPLANATION	AMOUNT	LEAVE BLANK
Purchased Parts From Form 28843-----	\$37,814.90	
Miscellaneous From Form 28843-----	10,519.94	
G & A From Form 28852-----	8,216.92	
TOTAL COST	\$56,551.76	
PROFIT @ 7% of Total Cost -----	\$3,958.62	

WESTINGHOUSE FORM 28854

SCHEDULE E - SETTLEMENT EXPENSESINVENTORY BASIS FORM - ITEM 12
TOTAL COST BASIS FORM - ITEM 12

THIS SCHEDULE APPLIES TO: (CHECK ONE)	A PRIME CONTRACT WITH THE GOVT. ☒	SUBCONTRACT OR PURCHASE ORDER ☐ NOS.	COMPANY Westinghouse Electric Corporation Air Arm Division
CONTRACTOR WHO SENT NOTICE OF TERMINATION			STREET ADDRESS P. O. Box 746
			CITY AND STATE Baltimore 3, Maryland
ADDRESS			GOVT. AGENCY
			GOVT. PRIME CONTRACT NO. FL-3011
			CONTRACTOR'S REFERENCE NO. AAD-30201
			EFFECTIVE DATE OF TERMINATION October 10, 1956

ITEM	EXPLANATION	AMOUNT	LEAVE BLANK
	Labor applicable to moving, Inspection, tabulating and storing inventory	\$1497.00	
	Material used in marking and packing (cartons, bags, tags, etc.) Termination Inventory	22.00	
	Total Settlement Expense to 2/28/58	\$1519.00	